

AMENDED IN SENATE APRIL 8, 2008

AMENDED IN SENATE MARCH 26, 2008

SENATE BILL

No. 1204

Introduced by Senator Denham

(Coauthors: Senators Battin, Harman, and Runner)

(Coauthors: Assembly Members Berryhill, Cook, DeVore, Garrick,
Horton, Maze, Sharon Runner, and Spitzer)

February 13, 2008

An act to add Section 87500.1 to the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 1204, as amended, Denham. Political Reform Act of 1974: electronic filing.

Existing law requires that candidates for and current holders of specified elected or appointed state and local offices and designated employees of state and local agencies file statements of economic interests disclosing their financial interests, including investments, real property interests, and income.

This bill would authorize a state or local filing officer to allow the electronic filing of statements of economic interest.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares the following:

(a) Existing law contained in the Political Reform Act of 1974 requires tens of thousands of public officials to complete and file statements of economic interests (Form 700) in paper form with thousands of filing officers and filing officials in public agencies statewide.

~~(b) This process is costly, slow, and cumbersome for filers and public agencies alike to complete, mail, review, manually data enter, file, and store the potentially millions of sheets of paper filed each year.~~

~~(c)~~

(b) Today, many similar business processes are handled electronically by private sector and public sector entities, saving these organizations millions of dollars in labor and costs of materials.

~~(d)~~

(c) E-commerce is a methodology that is becoming progressively familiar and comfortable to the people of California. Electronic banking and e-filing of state and federal income tax returns are common.

~~(e)~~

(d) E-commerce is particularly well suited to completing, filing, processing, and storing Form 700s, in that it provides ease and convenience for the filer, as well as preserves the safety and security of the electronic information. Further, it permits significant operational efficiencies for public agency filing officers.

~~(f)~~

(e) Electronic filing of Form 700 provides a convenience for filers and aids in their prompt compliance with the act.

~~(g) Electronic filing can be a safe, secure, and efficient method of completing, filing, and retaining Form 700s for state and local public officials and at the same time grant viewing capabilities by the general public at the location of the filing officer, public kiosk areas, and local libraries with the ability to print a copy for statutory fee.~~

SEC. 2. Section 87500.1 is added to the Government Code, to read:

1 87500.1. (a) A state or local filing officer may allow, *but may*
2 *not require*, the electronic filing of statements of economic interests
3 required by *Article 2 (commencing with Section 87200) and Article*
4 *3 (commencing with Section 87300)* in accordance with existing
5 regulations adopted by the commission and requirements
6 established by state and local filing officers. Forms for electronic
7 filing shall be identical to those filed nonelectronically.

8 (b) A statement filed electronically must include an electronic
9 transmission that is submitted under the penalty of perjury and
10 that conforms to subdivision (b) of Section 1633.11 of the Civil
11 Code.

12 (c) The filing officer shall utilize a system that includes
13 firewalls, data encryption, secure authentication, and all necessary
14 hardware and software and industry best practices to ensure that
15 the security and integrity of the data and information contained in
16 the statement of economic interests are not jeopardized or
17 compromised.

18 (d) The filing officer shall provide the public with a copy of an
19 official's statement of economic interests upon request, in
20 accordance with Section 81008.

21 SEC. 3. The Legislature finds and declares that this bill furthers
22 the purposes of the Political Reform Act of 1974 within the
23 meaning of subdivision (a) of Section 81012 of the Government
24 Code.